

A TALE OF TWO BUDGETS -- (House of Representatives - March 09, 2004)

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The SPEAKER pro tempore (Mr. *Wicker*). Under the Speaker's announced policy of January 7, 2003, the gentleman from Illinois (Mr. *Emanuel*) is recognized for 60 minutes as the designee of the minority leader.

Mr. EMANUEL. Mr. Speaker, in 2 days, the House Committee on the Budget will introduce and start to mark up a budget for the United States. This budget is being drafted by the majority, reflective of the President's budget submitted in early February.

I thought it would be an opportune time to discuss and go over the review of this budget and the economic policies that have resulted from the President's past budgets here at home, with also the type of priorities that have been claimed for the people of Iraq, and compare, in my view, the tale of two budgets.

What we have here, which I think would be a rude awakening for the American people, is what has resulted here at home for the people of the United States and their jobs, their healthcare, their education, their housing, versus what we are doing in Iraq. If you really go through it, what you really have is the tale of two budgets, of two economic programs.

I think the American people would be surprised to find out that of the \$87 billion we voted on last year for the funding of the war in Iraq and Afghanistan and for rebuilding the communities of Iraq and Afghanistan, that is more than the combined investment in the United States in the areas of education, job training and employment, the money in one shot for Iraq. Remember, that does not count the \$70 billion we spent on the first stage of the war with Iraq.

The \$87 billion spent in Iraq and Afghanistan for the war part, as well as for the rebuilding of their healthcare system, their job training, their physical infrastructure, roads and bridges and water system and water treatment, that is more than the entire combined investment in the United States for education, job training and employment services.

To me, the reason we have a \$3 trillion debt, additional debt on the books, nearly 3 million Americans have lost their jobs, as well as 43 million Americans without health insurance, 2 million more Americans who have gone from the middle-class to poverty, and nearly \$1 trillion worth of bankruptcies, both corporate and individual, is we do not have an economic policy and focus coming from the administration.

Mr. DELAHUNT. Mr. Speaker, if I could interrupt my friend for a moment, the gentleman indicated the total amount that we have already expended in terms of our intervention in

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Iraq. Obviously, that includes supporting our troops, and, at the same time, beginning the reconstruction of Iraq.

Does the gentleman remember the debate that occurred months ago when the supplemental came to this floor?

Mr. EMANUEL. The \$87 billion?

Mr. DELAHUNT. The \$87 billion. Does the gentleman remember that many of us on this side actually voted against authorizing the President to launch this intervention because we did not believe the evidence for a variety of different reasons that he presented to us and to the American people, but we did understand an obligation to help Iraq get back on its feet?

Does the gentleman remember the debate about whether it would be loans, or whether we would just simply give the money away, give the taxpayer dollars away?

Mr. EMANUEL. The administration came out and said it would be wrong to do it as loans. We needed, because of the international community, to make it a U.S. taxpayer-funded \$87 billion investment.

Mr. DELAHUNT. If I can continue to interrupt the gentleman, I made a point of examining the record in terms of other international donors. There was a conference in the capital of Spain, in Madrid, where other international donors came together. Among them, they were willing to contribute some \$15 to \$16 billion. By the way, very little of which has been seen yet. I can only find one other Nation that did not insist on the money being paid back. That was Japan, for \$1.5 billion.

The gentleman mentioned a word that really made me seek to interrupt, and that was ``debt." We are never going to see that money.

Mr. EMANUEL. No.

Mr. DELAHUNT. That is gone. I dare say there have been about other speakers on the floor here this evening that have talked about the failure in this budget to be forthright and honest, and we all know, and the American people should know that the money we have already spent is a down payment, and it is not much of a down payment as to what it is going to cost the taxpayers far into the future.

Mr. EMANUEL. If I may, we have voted in this Congress on \$160 billion of investment in the war in Iraq and Afghanistan and the rebuilding of those countries, healthcare, housing, jobs, roads, bridges. As the gentleman wanted to remind me of a point in that debate less than a year ago, at that point, Secretary Powell said the \$168 billion is a down payment, that they would need an additional \$50 billion, which they will probably seek, just for that exceeding the \$200 billion in Iraq, which we will never see, or, when I say ``we," the U.S. taxpayers will never, ever see. That is \$200 billion.

One can argue whether we are better off or not in Iraq, with Saddam Hussein having been deposed from Iraq, but the taxpayers will never see that investment back. Those are all dollars we are being told on a series of fronts, when we do not have the resources here at home.

My purpose here, before we mark up this budget, and spend the next 3 or 2 months discussing the budget is to draw the parallel between what we are investing in Iraq. On housing, we have 7,000 units of housing planned for Iraq, yet only 5,000 for the United States. We have a water irrigation system, well over \$800 million for a new irrigation system in Iraq, for water treatment; in America, in the President's budget, a \$500 million cut in water and sewer treatment facilities here in the United States. That goes on and on.

Mr. DELAHUNT. Before the gentleman goes any further, he mentioned, I think, an interesting point that those who are watching here this evening and are listening really should take note of. The gentleman mentioned the figure \$50 billion. I do not think there is any Member in this House on either side of the aisle that would deny that \$50 billion. But it is not part of this budget. When will that \$50 billion be revealed to the American people?

Mr. EMANUEL. As the gentleman probably remembers, last year when we voted on our budget for the United States, they projected a deficit at that point of a little north of \$300 billion. Then they brought up the investment of \$87 billion in Iraq after the fact, so it was not included in the budget, because it would have made the deficit look far worse.

So this year we are going to vote on a budget that has a \$500 billion-plus deficit, nearly half a trillion dollars, and then we will get the request for the war in Iraq, an additional \$50 billion put on.

[Time: 21:00]

It is basically playing real quick with the hands.

Mr. DELAHUNT. When will we get that? When will that come before us?

Mr. EMANUEL. Mr. Speaker, to my colleague from Massachusetts, we do not know when we are going to get that.

Mr. DELAHUNT. Can I just put out here, I want to submit, because maybe we can make this a friendly wager. I bet that that \$50 billion will come to the floor of this House in November or December, sometime after the election because, clearly, that \$50 billion is going to exacerbate the deficit. It is a debt. But maybe I am wrong. Maybe the White House will insist on doing the right thing and being honest and forthcoming with the American people and tell us the true cost of where we are.

Mr. EMANUEL. Mr. Speaker, the purpose of this evening, because this administration has two books, two sets of values, two priorities, and two budgets, one for Iraq and one for the United States. And the American people, with 43 million Americans without health care, 2.7 million additional Americans without jobs, 9 million Americans without jobs, close to 12 million Americans now living below the poverty line, are being told on a repeated basis that they do not have the money for schools, for police, for health care clinics. Do my colleagues know in the United States that every year the President's budget cuts, cuts health care clinics and community health care services to the United States to the tune of \$600 million to \$700 million a year? Yet in Iraq, and we will get to the statistic later, in Iraq since the end of the war, 52 new hospitals and

clinics have been opened up, 5 million children have been given vaccines. In the United States, cuts in health care services to the tune of \$600 million a year, in the President's own budget. He has a vision, a focus, and an agenda for Iraq not matched or paralleled or equal to the vision for the United States. The United States people are very generous.

Mr. DELAHUNT. Can I just ask a question?

Mr. EMANUEL. Yes.

Mr. DELAHUNT. I think the gentleman mentioned two budgets.

Mr. EMANUEL. Two values.

Mr. DELAHUNT. Two values and two budgets, a budget for the United States of America and a budget for Iraq. But the truth is, the reality is that it is the American taxpayer.

Mr. EMANUEL. One source.

Mr. DELAHUNT. Is paying for the budget for the United States of America, with all our responsibilities, all of the issues that we are concerned about here domestically and internationally, and then the American taxpayer is also paying the budget for Iraq. I really hope that we do not find ourselves in a situation where we will be coming to the floor with a third budget.

The gentleman from Michigan earlier talked about what transpired these past several weeks in Haiti. I can imagine that we will have to provide humanitarian assistance, but are we also going to be picking up additional budgets as we go?

Mr. EMANUEL. Mr. Speaker, that is a fair question. I think that the budget that we are submitting, and one of the things I want to talk about and start off with is that it is not just a budget, and it is not just a set of values, and it is not just a set of priorities. But the President's own cabinet, six members out of 15 have been to Iraq to praise and laud the work of our reconstruction in Iraq. I am going to bring up a couple of things that they have said on their trips to Iraq, because I think it highlights not just the type of dollars we are investing, but what we are saying.

My first is in October of 2003, Secretary Evans of Commerce, the Commerce Secretary said, and I quote from October 16, 2003: ``Americans need to come here and see the opportunity." This is about Iraq. ``This is great economic opportunity."

Three months after that in Ohio, the President of the United States announces that he is going to have a

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manufacturing czar. Today, 5 months after that, that job goes unfilled; and since that time, 250,000 manufacturing jobs have been lost in the United States. Yet Secretary Evans is over in

Iraq praising the economic opportunity in Iraq; and yet here in the United States, a job for a manufacturing czar to oversee what has happened to the 2 million-plus lost manufacturing jobs in the United States has yet to be appointed. In every budget the President of the United States has submitted to this Congress, the manufacturing extension program, which helps small manufacturers in the United States compete in the world market, has been cut.

We had a prior speaker who noted the fact that the budget is supposed to have \$130 million; the President submitted \$36 million or \$10 million, way off the mark. This helps 50 workers or less in manufacturing and in places of employment. We do not have a manufacturing czar. The budget of the United States eliminates manufacturing opportunities, yet the Secretary of Commerce of the United States is in Iraq praising the economic opportunity.

In January of 2004 Labor Secretary Elaine Chao visits Iraq. Quote, on January 28: ``Democracy is an essential part of creating a new Iraq, and for democracy to move forward in a positive fashion, finding employment for the people is very important."

It is interesting, because at that point it was one week before the President's budget was submitted to Congress, just a few days after the President's State of the Union; and yet the President's budget for the United States has dislocated adult training and dislocated worker programs, cut by \$150 million in the United States, yet opening job training in Iraq.

Mr. DELAHUNT. Mr. Speaker, if I could interrupt very briefly, it sounds like an economic stimulus package.

Mr. EMANUEL. Baghdad is doing well.

Mr. DELAHUNT. Maybe, just maybe we can find the secret so that we can avoid a jobless recovery for Iraq and learn those lessons so that we can replicate them

here in the United States.

Mr. EMANUEL. The President's budget also freezes job training. We have a cut, as I said, of \$151 million in dislocated worker problems, dislocated from economic trade and globalization. Yet, at that time, with one week to go in the President's budget, the Secretary of Labor is not in her office, is not over in the White House negotiating on behalf of American workers. She is talking about the employment opportunities in Iraq.

Mr. DELAHUNT. In Iraq.

Mr. EMANUEL. In Iraq.

Mr. DELAHUNT. So if you are looking for a job and you want the gentleman from Ohio (Mr. *Ryan*), who was the last speaker before we took the floor, if you are one of his constituents in Ohio.

Mr. EMANUEL. Where there is 16 percent unemployment rate.

Mr. DELAHUNT. We could recommend that somehow they contact the Department of State or the Department of Commerce and maybe there are jobs in Baghdad or Kirkuk or Basra. There are certainly none in Ohio.

Mr. EMANUEL. Mr. Speaker, I think the gentleman probably knows, right after the war, we were paying hundreds and thousands of Iraqis for no-show jobs, literally paying them; but they did not have to work, just to put money into the economy of Iraq. Now, I am from Chicago. I think we know something about no-show jobs. We think we have written the book on no-show jobs. There are so many no-show jobs in Iraq where people do not have to show up for work, but get paid, you can make an alderman in Chicago pretty jealous; but that is what is going on with U.S. taxpayer dollars.

Let me tell my colleagues another thing. Just recently, less than a month ago, the Secretary of Health and Human Services, Tommy Thompson, visits Iraq, and I quote: "The U.S. aid to provide universal health care to Iraq should not be compared to the efforts in the United States to guarantee the same thing. Even if you don't have health insurance in America, you get taken care of. That can be defined as universal health care."

What a fascinating, insightful take on universal health care. We have 43 million Americans without health insurance; yet we have universal health care provided in Iraq, but not here in the United States.

Mr. DELAHUNT. I guess maybe one would call it socialized medicine is good for Iraq, but universal health care here in the United States is, if the gentleman would help me with the word; it escapes my mind.

Mr. EMANUEL. It would be a government-controlled program.

Mr. DELAHUNT. A government-controlled program.

Mr. EMANUEL. So my colleagues understand, as we have opened 52 hospitals and clinics in Iraq, just a month earlier than the President's budget, he froze the National Institutes of Health's budget; rural health care was cut by \$638 million, and \$785 million the next year; a 64 percent cut from health professionals training programs. We have 33 million Americans who work full-time without health care, and we have underfunded the Children's Health Insurance Program.

Mr. DELAHUNT. Mr. Speaker, while here in this country, and I am sure this has impacted just about every Member's district throughout the entire United States, while in this country, community hospitals that tend to be the hospital of the first response for that sudden heart attack, for that emergency room treatment, they are being closed; and yet the American taxpayers are building how many hospitals?

Mr. EMANUEL. My last count says in Iraq there have been 52 hospitals and health care clinics that have opened up since the end of the war.

Mr. DELAHUNT. That is a pretty good record, for Iraq.

Mr. EMANUEL. It is very good, a very good record. I am impressed. I am very, very impressed. They have done a great job. There has been in Iraq free training provided to 22 Iraqi health professionals and 8,000 volunteers. Yet a \$278 million cut, 68 percent, to the health professionals training program here in the United States.

Now, what is it that Iraq needs about the health care training of doctors and nurses and technicians that is not necessary here in the United States? Any thoughts?

Mr. DELAHUNT. I have none.

Mr. EMANUEL. Mr. Speaker, \$793 million for health care facility construction and medical equipment replacement throughout Iraq. Yet there has been a \$94 million cut to community access programs here in the United States, a 90 percent cut in that budget. Mr. Speaker, \$28 million in Iraq for operation and staffing of 150 clinics for 3 million Iraqis. Yet there has been a 78 percent cut, that is \$789 million in all health activities to provide health care access in rural America.

Mr. Speaker, I did not get to it, but let me continue. The agricultural Secretary, Ann Veneman, was in Iraq on November 13, 2003, praising our investment, she calls it how our government can help. Need I remind her, it is our taxpayers, not our government. But yet, in the President's budget, \$198 million has been cut from USDA farm loans, crop insurance, disaster relief, and field offices, representing about a 4 to 5 percent cut in the agriculture budget.

There have been a total of 6 cabinet Secretaries who have visited Iraq. Do my colleagues get a feeling that the cabinet Secretaries have been outsourced to Iraq in the many ways that our jobs have been outsourced to India? They are focused. We have the Commerce Secretary there, the Labor Secretary there, the Agriculture Secretary there, the Secretary of Defense is there, the Secretary of Health and Human Services is there, the Secretary of State is there, not counting the deputies. Yet in every area corresponding, and we are going to go through that in a little more detail, we have seen cuts here at home in the President's budget.

Mr. DELAHUNT. But the Government of Iraq is being well financed.

Mr. Speaker, if I can continue for a moment, because the picture that the gentleman is drawing is rather clear to me. I noted in a report from my hometown paper, the Boston Globe, that the Senator from Arizona, Senator *McCain*, in response to a question in a very forthright manner made this statement: "The era of big government is back and Republicans seem to like it." I presume that he was referring to Iraq or maybe he was referring to that

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deficit that is creating a future Armageddon for our children, our grandchildren, and even our friends in North Carolina.

[Time: 21:15]

Mr. EMANUEL. Let me, if I could, to take back a little time here, I have put up another chart dealing on education in Iraq and education in America and job training.

In Iraq, we have renovated a little over 2300 schools in all of Iraq. 1.5 million secondary school student kits have been sent out. 800,000 primary school kits have been sent out. In America, the President's Leave No Child Behind has been underfunded by \$8 billion.

Teacher quality impact aid and after school programs have been frozen in his budget. Reading programs are cut by \$8 million. And 38 other educational programs in the President's budget have been eliminated.

In Iraq, 2,300 schools nationwide have been either rebuilt and opened since the end of the war. Not that Iraqi children do not need an education, not that they do not need their books and textbooks, but I would hearken, and I would hope others remember in the United States, we have teachers who are paying for school supplies out of their own salaries, because the school budgets, educational system has been cut so bad we do not have resources for our kids. Teachers are paying for it. Not the government taxpayers, which is funded.

Iraqi children are going to have a great future. We should have the same type of future, same commitment to American children.

I want to point, if I could, to a few things we did here on the chart. Job training in Iraq. \$60 million for demobilizing and job training for 130,000 enemy combatants. \$353 million for American Iraqi enterprise fund and job training.

Mr. DELAHUNT. Mr. Speaker, can my colleague repeat those? How many enemy combatants? Presumably those are former Iraqi soldiers.

Mr. EMANUEL. That is exactly what it is.

Mr. DELAHUNT. In other words, they would be Iraqi veterans of war.

Mr. EMANUEL. The gentleman took the words right out of my mouth. Yes, that is correct, former soldiers.

Mr. DELAHUNT. Former soldiers. I only wish that the American veteran was treated as well.

What I find particularly unacceptable is the budget that was submitted by this White House and this President, as far as it relates to the American veterans. The various veterans service organizations, the American Legion, the VFW, the Disabled American Veterans, Paralyzed American Veterans claim that the White House budget, as submitted to this Congress, one, would only worsen the backlog processing disability claims; secondly, reduce the number of VA nursing home beds just as the number of veterans who need long-term care is swelling, and force some veterans to pay a fee simply to gain access to the VA health care system, despite the promise that this Congress made back in 1996, that if you were an American veteran, you were entitled to health care, provided by the Veterans Administration.

This is a report in the Washington Post dated last week. The commander in chief of the VFW called the President's proposed budget for veterans health care, and this is his quote, ``a disgrace and a sham." And, yet, we are supporting health care for 130,000 former Iraqi soldiers, who I am sure are benefiting from the largesse of the American taxpayer. It is time we take care of our own, Mr. Speaker.

Mr. EMANUEL. Mr. Speaker, this is a tale of two budgets. Let me point to one thing: \$353 for an American Iraqi enterprise fund and job training. \$353 million. Yet, the President's budget cut \$316 million in the vocational education program. That represents a 24 percent cut there.

Let me go on. There is a \$20 million grant for higher education and development projects creating U.S. Iraqi university partnerships to expand access to higher education for all Iraqis. \$100 million cut for the Perkins loan, which represents a 60 percent cut in that program here in the United States for college education, a \$327 million cut in Pell Grants for low and moderate income children, closing the door to higher education for those children. We got a grant for Iraqi children going to college.

In Illinois, my home, the average graduate from the University of Illinois gets a diploma and \$20,000 in debt because of the cost of higher education in the United States. Yet, in Iraq job training and higher access to universities.

Expanding literacy. We have \$40 million dedicated to Iraq for rebuilding 275 schools and training 10,000 teachers for Iraqi schools. Yet, we have cut \$8 million from reading programs in the Department of Education for American children.

Another statistic. USAID accelerated learning program provides intensive personal education to low income and at-risk Iraqi children. At-risk Iraqi children and low income Iraqi children. The President's budget, \$177 million cut in funding for Head Start, even though Head Start could only serve a 13.5 percent of the eligible children because of funding restrictions. Children who are eligible for Head Start. We do not have the resources for Head Start, yet we have funding for at-risk Iraqi children.

This is just an example of the types of education cuts we are making here at home and the types of investments we are making overseas in Iraq.

These are not the priorities of the American people. These are not the values of the American people. These are not the economic investments the American people called on. And our result, all these cuts in education and here at home, all these cuts at at-risk children here at home, all these job training cuts here at home, as Ronald Reagan once said, facts are a stubborn thing. 2.7 million Americans have lost their jobs since President Bush has been President. Two million more American children have entered the levels of poverty who have left the middle class.

Mr. DELAHUNT. Mr. Speaker, we know that we have a jobless recovery. Clearly it is an issue that has grabbed the attention of the American people. But there is another aspect of our economic picture that I think should disturb all of us on both sides of the aisle, and

I hear nothing coming from this White House addressing it. We all agree that there has been a net loss of jobs. In other words, jobs have been created, but millions of more jobs have been lost than have been created. But what is untold here, what has not been said, and I think we all owe an obligation to tell this to the American people and we should start here tonight, is that while we have a jobless recovery, we have a wage recession. We have a wage recession. The new jobs that are replacing the old jobs are at wage scales that are 21 percent less than the jobs that they replaced.

Now, that is like if you are unemployed and you find a job after your unemployment runs out, because we do not count those folks anymore, we call them discouraged workers, but if you are lucky enough to find a job you are taking a 21 percent pay cut. What does that do in terms of the hopes and dreams and the living standards that you have for yourself and your families?

Mr. EMANUEL. Mr. Speaker, if we are going to spend \$3 trillion, I would think we would get more than 21,000 jobs out of it. And of the 21,000 jobs that were created last month, not the 200,000, unknown, but it is right there in the statistics, of the 21,000 jobs, 20,000 of those jobs were government jobs. So in the private sector of the United States only created 1,000 jobs last month.

Jay Leno had a funny joke and I must repeat it. He says, ``You know why President Bush is in such trouble? He is overseeing more gay marriages than he has jobs created in the United States." And it captures pretty much what is going on. We have a jobless economy and an endless occupation in Iraq. It has resulted in the fact that the American people are calling for a new direction and change in our priorities. And these budgets reflect the problem we have here at home because of what people are seeing is that our future is being promised to Iraq, and the people of Iraq, and that the same commitment is not being held here at home.

The American people have been very generous. They will continue to be generous, but not at the expense of their future and their children's future.

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I would like to turn to health care, since we have done job training and education. In the area of health care, as I mentioned just the other day, Secretary Thompson visited Iraq opening hospitals. In Iraq, 52 hospitals have been renovated. Three million children under the age of 5 have been vaccinated in Iraq. And the President's budget, health care centers for the second year in a row have been cut \$638 million this year, next year, \$785 million.

I want to read a couple numbers. Iraq, free training provided to 2,200 Iraqi doctors and nurses and 8,000 volunteers. In the United States, \$278 million cut to the health professionals training program for doctors and nurses and other specialists. Free training in Iraq for 2,200, \$278 million cut here in the United States.

In case anybody has missed it, 43 million Americans without health insurance. Inflationary costs rising at 10 to 20 to 20 percent a year. \$793 million for health facility construction and medical equipment throughout Iraq. A \$94 million cut to community access programs to coordinate health care services to the underinsured here in the United States.

In case you are missing this, kind of one strategy for Iraq, one strategy for the United States. \$28 million for operation and staffing of 150 health clinics for 3 million Iraqis, a \$78 million cut in all health activities to provide health care access in rural America.

Let me ask a question. Is there one group that works on the budget for the United States in this administration and another group that does the budget for Iraq? I mean, does the right hand not know what the left hand is doing? We have a health care crisis.

Mr. DELAHUNT. I will tell the gentleman presumably there is a stealth OMD somewhere. Maybe it is in the Department of Defense. My colleague knows how they have that office of strategic planning.

Mr. EMANUEL. Mr. Speaker, I know this sounds horribly rude and sarcastic, but could David Kay be appointed to coordinate these two budgets together? I mean, he is available after all.

If one looks at this, \$44 million in community development projects including child care centers and youth centers in Iraq. \$44 million for child care and youth centers. The President's budget for the United States, a funding freeze for all child care programs for helping parents who want to go to work and put their kids at places that are safe and secure. And it is projected to climb to \$53 million in 2006. That is a fascinating way to leave no child behind in Iraq. I wonder what the strategy is behind that.

Mr. DELAHUNT. Mr. Speaker, in terms of the health care, I am convinced that it is some sort of socialized medicine initiative that is surprising, since this administration decries efforts to adopt a universal health care coverage Federal policy here in the United States.

[Time: 21:30]

Mr. EMANUEL. Let me add one other thing. Ensuring a nation of healthy children. This is the last point on our health care chart; 4.3 million Iraqi children have been immunized, yet the maternal and child health care block grant has been frozen. Prenatal care in Iraq and food provisions for 240,000 pregnant women, full funding. Yet we have cut WIC here and frozen it and frozen the Healthy Start program. 100 percent of prenatal and infancy needs of all Iraqi citizens, and yet we have frozen, which means a cut of care in the pediatric graduate medical education and Title 10 family planning here in the United States.

Now, why is it that 4.3 million Iraqi children need to be immunized. I assume that is a good idea. Any thoughts?

Mr. DELAHUNT. I think it is an excellent idea.

Mr. EMANUEL. Why would you freeze then the maternal and child health care block grant, which basically does the immunization programs here in the United States? What would make you freeze it here in the United States, but somehow think that 4.3 million Iraqi children deserve

that type of aid? I think it is a good idea. My father is a pediatrician. I am the son also of a radiologist nurse. I happen to think these investments are good. Guess what, the administration is right about one thing, the Iraq of tomorrow will be better than the Iraq under Saddam Hussein, because it is being funded by the taxpayers of the United States.

Mr. DELAHUNT. The question is will America of tomorrow be better, given the policies enunciated and the policies we have witnessed over the course of the past 3 1/2 years? That is the question facing the American people as we look towards November of 2004, when probably December of 2004 we will be provided with a supplemental budget that will come as no surprise to those of us that work here in this institution, but that we know will further add to that debt that is outstanding.

Mr. EMANUEL. I want to again remind us of one of the headlines here. Training of health care professionals, 2,200 Iraqi doctors and nurses will get free training, \$278 million cut in the United States' budget in this area.

We will go on to the next chart of the area of security and justice and investment in what we call safety of our streets versus what we are doing in Iraq. In that area we basically have, I think, an interesting, very interesting set of priorities. And again, it is a tale of two budgets, two values, two priorities.

In Iraq, we have placed 150,000 police and security personnel on the street. I do not know if you know this and it may come as a surprise to everybody. But in New York City, there are 3,000 less police on the street since 9-11, because the President's budget we have cut a billion dollars in the police program to keep police doing community policing in the United States. Three thousand less police on the streets of New York since 9-11. That is a fascinating way to execute a high school strategy. Yet, in Iraq, 150,000 police and security personnel.

Mr. DELAHUNT. Can I interrupt for a moment? During the 1990s, we saw a profound decline in the rate of violent crime. Many criminologists and others in the criminal justice system attributed the significant portion of that decline in the so-called COPS program, where the Federal Government provided the funding for the training and the hiring of police and other law enforcement agents for State and local and county investigative agencies, highway patrol, local police departments. Clearly it made a difference. It made a difference.

In this budget from this White House, that program has been cut 87 percent. I spent 21 years of my life as the chief prosecutor in a jurisdiction in metropolitan Boston. I fear, and I say this truly, what these cuts are going to do in terms of the next 2 or 3 years as far as the instance of violent crimes all over our country, in our communities. We are losing police officers. Every single community has suffered some reduction in the size of their police forces, their public safety agencies. And yet we hear, coming from the White House, talk of homeland security. There is an inconsistency here. The reality is not matched with facts or, rather, the reality is not matched with the rhetoric.

Mr. EMANUEL. Let me add, as I said, that we have 150,000 police being paid by the United States taxpayers for 150,000 police officers and security personnel in Iraq. I would like that to be

noted that in my hometown of Chicago, we do not have an additional bio-terrorist center that we were seeking for fire department.

In veterans, in Iraq, we pay the salaries and benefits for 170,000 Iraqi military and security personnel. In America, 260,000 children of active duty military personnel have been dropped from the earned income tax credits. It is a very interesting strategy.

Again, two budgets, one for Iraq. One for the United States. Here, helping the police and fire departments combat terrorism. In Iraq, a \$500 million fund to counterterrorism policing program in Iraq; \$50 million for emergency global peacekeeping operations; \$80 million for disaster assistance. In the United States, a \$648 million cut in the Department of Homeland Security for funding of police, firefighter and emergency personnel. In Iraq, you have made an investment close to \$630 million. In the United States, a cut of \$640 million for the same activities, the same type of strategy.

We have also had a \$246 million cut in the firefighter assistance grants.

Protecting ports, we have made \$150 million investment for border protection in Iraq. The port of Umkasar has

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been completely rebuilt. It is a deepwater port in Iraq. Yet, here a \$79 million cut to port security upgrades, representing a 64 percent cut in the budget for port security here in the United States.

Supporting law enforcement, police departments, \$76 million investment in Iraq's defense corps, training and development, \$25 million for counter-drug assistance in Iraqi police, \$200 million for Iraqi security for judges, prosecutors and courthouses, a \$500 million investment for facility protection and demining in Iraq, \$35 million for nonproliferation anti-terrorism demining in Iraq. Yet, a \$659 million cut to the Department of Justice programs to assist local communities in hiring, training and equipping police officers for America's streets.

Again, a juxtaposition where one is getting invested in because you need the resources to deliver the types of services of police protection. Here in the United States we are making corresponding cuts in the same areas.

Mr. DELAHUNT. If the gentleman would allow me for just a moment, I think what I find particularly disturbing is, and we discussed this last week, those of us that have come to this floor on a regular basis to discuss Iraq, the monies that are continuing to be paid to Iraqi, so-called Iraqi opposition groups, we talked about an individual by the name of Ahmed Chalabi, who when asked did he feel at all chagrined by the fact that the information that he provided through his organization, the so-called Iraqi National Council, was false. He said no, he did not. I am in Baghdad. Saddam is gone. Well, Saddam having gone, we can all agree is good. But the information that he provided, the defectors which he purportedly coached, gave information which police led eventually the American people in terms of the rationale for all military intervention.

This same Ahmed Chalabi, who was convicted of embezzling some \$300 million from a bank that he founded and established in Jordan. He was convicted in Jordan and sentenced to 22 years in prison. He departed rather quickly from Jordan in the middle of the night and he is now serving on the Iraqi Governing Council and has taken the portfolio, the finance portfolio, a convicted felon, a convicted felon who was charged and convicted in a neighboring nation, Jordan, who has historically been a solid ally of the United States, has attempted to foster peace with Israel, and we never consulted that kingdom of Jordan; and we are continuing to pay his group some \$350,000 a month. And meanwhile, as the gentleman has pointed out, we cannot build roads. We cannot do school rehabs or reconstruction. We cannot provide veterans services benefits for our own people; and we are paying \$350,000 a month.

Mr. EMANUEL. I want to turn to transportation. In Iraq, the President has budgeted \$835 million for three new Iraqi airports, \$240 million for road and bridge repairs. Last year, the President's budget cut 10 percent of the Corps of Engineers. This year an additional 5 percent. We are struggling beginning with a highway and transportation bill here in the United States, that are investments that everybody knows in this Chamber, in this body, both in a bipartisan consensus, that it is essential to our investment and our economic strategy.

Iraq already has a highway and mass transit bill. They are getting new airports, three of them. Chicago, we are trying to rebuild our O'Hare Airport, which provides 150,000 jobs. They have \$240 million for roads and bridges. Yet, the President's budget for the United States cuts \$300 million in Federal highway funding, \$50 million in essential air service program, \$318 million cut in Amtrak, \$600 million cut in mass transit funding. These are not the investments that lead to an America ready to seize the 21st century and make it as great as the 20th century. These are not the type of economic strategies.

I know there is bipartisan consensus. The one thing you would think if you produced only 21,000 jobs last month when you need 200,000 a month just to stay even, the economy has lost 3 million jobs since the date the President was sworn in. You would think the one thing this Congress could do is create a transportation and investment bill because you know it will create jobs, and we cannot do that. We are talking about a 1-year extension. Maybe 2-year extension.

We do not have that for Iraq. We have a strategy for Iraq. We have three new airports. We have roads. We have the Umkasar Port so it can move goods. It is an economic strategy. We do not have that for the United States. We cannot get the Republicans in the House and in the other body and the White House to agree on an economic strategy. The one thing we would have is a highway bill for the United States, and the President of the United States threatened to veto it. You would think with 2 1/2 million additional Americans out of work since the time you have been sworn in, you are the only President since Herbert Hoover who will have job losses under your watch, and your only strategy is to veto a bill that would put people back to work.

It takes a unique insight to economic strategy to come up with that strategy for the United States. And to submit a budget that has cuts in mass transit, cuts in Amtrak, cuts in air service, cuts in the Corps of Engineers, so we can invest in our waterways, and yet in every corresponding area in Iraq, they will get a new deport which they got, three new airports, many

new roads and bridges so they can move their goods and services, it is a bright future in Iraq, and yet, that same strategy seems to have failed us here at home.

[Time: 21:45]

It boggles the mind how one could see how here at home we cannot get an agreement on an investment strategy for the United States. One thing that we know for sure, because you cannot build roads in the United States built by Japanese, Chinese or other people, it would be only to be built by the United States, workers who get paid good wages and we cannot get an agreement, and the only reason is because we are sitting there with Presidential veto over our neck. It is a unique job strategy to threaten to veto a bill that would produce jobs in the United States. It comes from the same strategy that thinks outsourcing is a full employment program; and yet in Iraq, God bless them, they are going to get three new airports and about \$250 million in new investments in roads and bridges.

Mr. DELAHUNT. Mr. Speaker, I would just say that I think it is important to try to paint the macropicture, if you will, and that is, in the President's budget, he put forth a package of some \$257 billion. The Senate, the Republican Senate, his own party, came through with a figure of some \$318 billion. The gentleman from Alaska (Mr. *Young*), the chairman of the appropriate committee in this House, has valiantly and assiduously attempted to secure more funding because not only do we need our infrastructure updated, but for the very reason that my colleague articulated, it produces jobs, tens of thousands, hundreds of thousands of jobs so that our jobless recovery, with its attendant wage recession, will receive a stimulus that will hopefully lift all boats.

Mr. EMANUEL. Mr. Speaker, I would just like to note that we go back to the fact that for many months we paid Iraqis wages who never showed up for their jobs. Nothing like that has ever been envisioned here at home; and so as my colleague said, we are stuck and we have America stuck in a jobless economy, in an income recession, and what has resulted is it will be the first President in the United States since Herbert Hoover who has a net loss of jobs in the United States under their stewardship, and yet the Secretary of Labor and Secretary of Commerce were sent to Iraq to praise and come up with an economic strategy that would have a better tomorrow than the one they have.

I want to bring up two other areas before our time is up because I think it is important.

In Iraq, we are investing close to \$3.5 billion for water and sewage services repair. In the President's budget there is a \$500 million cut representing close to 40 percent for a clean water State revolving fund. It provides loans to local communities to rebuild their sewer system and their water treatment facilities. Every community in this country has borrowed from that fund, the revolving fund. It is how we keep our water system and drinking

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water safe in this country. We have a \$500 million cut in that area for the United States and a \$3.5 billion investment in Iraq's, in water, drinking water. It is one of the great standards in which you decide whether a country is part of the developed world or developing world, and yet

we are making a \$3.5 billion investment in Iraq's water system and a \$500 million cut here at home for America's drinking water.

It is a fascinating strategy. I have never thought of it. I think it takes unique insight to come up with those two conflicting strategies. Yet the one administration, two sets of taxpayers, two different investment strategies.

On top of that \$3.5 billion, there is \$153 million invested in Iraq for solid waste management treatment and \$775 million for water resources improvement. The United States, we get cut in those programs. \$875 million in Iraq for irrigation and wetlands restoration; \$2.8 billion for safe drinking water programs. In the United States, we have had many of the programs dealing with our environmental protection cut.

That is not, both the drinking water and environmental protection, what I would consider a consistent and thoughtful strategy. The only place consistency exists is in Iraq and the investment in Iraq's future, not one here at home. That has been the strategy of this administration.

Would my colleague want to add?

Mr. DELAHUNT. No, because I think what my colleague has said is so informative. I think it reveals the flaws in not only the foreign policy but particularly in terms of the economic strategy of this particular White House.

There is another observation I would like to make because the reality is that the median income of the family of four in the United States is declining. If we continue along this path, we are in danger. We are in danger of creating a gap between those that have and those that do not have. While we are attempting to create a middle class in Iraq, because the middle class is absolutely essential for a democracy, we know that, we are seeing our own middle class shrink in the United States. The most recent statistic is that one percent of the American population is now earning 17 percent of our income.

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